

# States' Rights: Tipping the Scales with AFV Legislation

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## **Alternative Fuels and National Energy Policy**

- **S.597** - Comprehensive & Balanced Energy Act of 2001 (Sen. Bingaman – Democratic Bill)
- **S.389** - National Energy Security Act of 2001 (Sen. Murkowski – Republican Bill)
- **S. 670** - Renewables Fuels Act of 2001 (Sen. Daschle and Sen. Lugar)
- **S. 760** – Clean Efficient Automobiles Resulting from Advanced Car Technologies -CLEAR Act of 2001- (Senators Hatch, Rockefeller, Jeffords, Kerry, Crapo, Lieberman, Collins, Chafee, and Gordon Smith)

- Vice President's Task Force on Energy
- DOE Issues Final Rule Allowing Biodiesel to Qualify as Alternative Fuel for Automobile Fleets Under EPACT

# **S.597 - Comprehensive and Balanced Energy Policy Act of 2001 (Sen. Bingaman)**

## **SEC. 1202. INCREASED USE OF ALTERNATIVE FUELS BY FEDERAL FLEETS.**

**(a) REQUIREMENT TO USE ALTERNATIVE FUELS-** Section 400AA(a)(3)(E) of the Energy Policy and Conservation Act (42 U.S.C. 6374(a)(3)(E)) is amended to read as follows:

`**(E)** Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels. If the Secretary determines that all dual fueled vehicles acquired pursuant to this section cannot operate on alternative fuels at all times, he may waive the requirement in part, but only to the extent that--

`**(i)** not later than September 30, 2003, not less than 50 percent of the total annual volume of fuel used in such dual fueled vehicles shall be from alternative fuels; and

`**(ii)** not later than September 30, 2005, not less than 75 percent of the total annual volume of fuel used in such dual fueled vehicles shall be from alternative fuels.'.

**(b)** Section 400AA(g)(4)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6374(g)(4)(B)) is amended by adding, after the words, `solely on alternative fuel', `, including a three-wheeled enclosed electric vehicle having a vehicle identification number'.

# **S.597 - Comprehensive and Balanced Energy Policy Act of 2001 continued**

## **SEC. 1203. EXCEPTION TO HOV PASSENGER REQUIREMENTS FOR ALTERNATIVE FUEL VEHICLES.**

Section 102(a)(1) of title 23, United States Code, is amended by inserting after `required' the following: `(unless, in the discretion of the State transportation department, the vehicle is being operated on, or is being fueled by, an alternative fuel (as defined in section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2))))'.

# **S.389 - National Energy Security Act of 2001 (Sen. Murkowski)**

**SEC. 701.** EXCEPTION TO HOV PASSENGER  
REQUIREMENTS FOR ALTERNATIVE FUEL VEHICLES.

**SEC. 702.** ALTERNATIVE FUEL VEHICLE CREDITS FOR  
INSTALLATION OF QUALIFYING INFRASTRUCTURE.

**SEC. 703.** STATE AND LOCAL GOVERNMENT USE OF  
FEDERAL ALTERNATIVE FUEL REFUELING FACILITIES.

**SEC. 704.** FEDERAL FLEET FUEL ECONOMY AND USE OF  
ALTERNATIVE FUELS.

**SEC. 705.** LOCAL GOVERNMENT GRANT PROGRAM.

**S.389 - National Energy Security Act of 2001 (Sen. Murkowski) continued**

**SEC. 975. CREDIT FOR CERTAIN ENERGY EFFICIENT  
MOTOR VEHICLES.**

**SEC. 981. CREDIT FOR ALTERNATIVE FUEL VEHICLES.**

**SEC. 982. MODIFICATION OF CREDIT FOR QUALIFIED  
ELECTRIC VEHICLES.**

**SEC. 983. CREDIT FOR RETAIL SALE OF ALTERNATIVE  
FUELS AS MOTOR VEHICLE FUEL.**

**SEC. 984. EXTENSION OF DEDUCTION FOR CERTAIN  
REFUELING PROPERTY**

**SEC. 985. ADDITIONAL DEDUCTION FOR COST OF  
INSTALLATION OF ALTERNATIVE FUELING STATIONS**

## **S.690 – Renewable Fuels Act of 2001**

### **(Sen. Daschle and Sen. Lugar)**

- Bans MTBE from Gasoline in 4 years
- Sets up a Renewable Fuel Standard (RFS)  
(minimum % of Renewable Fuel Content in all motor fuel in US goes from 0.6% in 2002 to 1.5% in 2011)
- Over Next Decade Could Triple Market for Ethanol and Other Renewable Fuels (ex: Biodiesel)
- Provides Extra-Credit for Ethanol from Cellulosic Biomass



## **S. 760 - CLEAR Act of 2001- (Sen. Hatch)**

- Tax Credits to Promote Advanced Technologies to Reduce Emissions, Improve Efficiency and Energy Security
- Fuel Cell Vehicles
- Hybrid Electric Vehicles
- Alternative Fuel
- Battery Electric Vehicles

## **S. 760 - CLEAR Act of 2001- (Sen. Hatch)**

### **continued**

Lowers Barriers to:

- I) Cost of Vehicles: Tax Credit Based on Technology and Efficiency
- II) Cost of Alternative Fuel: 50 cents per gasoline-gallon- equivalent as retail (all but ethanol)
- III) Lack of Infrastructure:
  - Extends existing deduction for installation of alternative fueling stations
  - 50% credit for installation costs of retail and residential refueling stations

# Clean Cities and Renewable Fuels – *Why???*

- Synergies Between Energy, Environment & Economic Development (Air/Water pollution and Climate Change)
- Can Turn Waste Streams into Revenue Streams
- Diversifies Agriculture and Makes it Part of the the Energy & Climate Solution
- Biomass Feedstocks Available Across the Country
- Reduces Reliance on oil (foreign and domestic)